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Bail Set at \$500,000 for Convicted Arms Smuggler
New York
Korkala

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Bail has been set at \$500,000 for George Gregory Korkala, seized in Madrid last year after being convicted in absentia of selling 10,000 machineguns and other weapons to undercover agents posing as Latin American terrorists.

Manhattan State Supreme Justice Thomas Galligan on Thursday rejected Korkala's request that he set bail at \$100,000, as he did before. Korkala fled the country before his trial, forfeiting the bond money.

"He was able to walk away from \$100,000 before," Galligan said, "and I'm obviously not going to set that bail here."

Galligan tried Korkala and co-defendant Frank Terpil in absentia in 1981 after they failed to appear for trial.

Korkala, 42, was extradited to New York in March after officials agreed to the Spanish government's condition that the Nutley, N.J., man be retried on the gun-running charges.

Terpil, a former CIA agent who is still at large, and Korkala were sentenced by Galligan in June 1981 to 17 and two-thirds to 53 years in state prison for selling the guns to two undercover detectives at a New York hotel. They also were found guilty of selling 10 million rounds of ammunition, a bomb, firearm silencers and four other guns.

Korkala was apprehended last February at an exhibition of security devices in Madrid. Following more than a year of extradition proceedings, he was returned here in the custody of federal agents and detectives of the Manhattan district attorney's office.

Besides the state charges, Korkala and Terpil have been indicted on federal charges of conspiring to sell arms to the regime of Idi Amin, ousted Ugandan dictator.

Korkala's lawyer, Angelo Bianchi, said Thursday that his client was released from federal custody Wednesday after being repatriated because the U.S. attorney's office agreed he had been extradited specifically in connection

with the state gun-selling case. The state bail hearing came after Korkala's release from federal custody.

Galligan, who ordered Korkala held in protective custody, adjourned the state case until Sept. 6.